

WENHAM COMMUNITY PRESERVATION PLAN

HOUSING

BACKGROUND

Settled in 1683, the Town of Wenham is a classic New England town governed by Town Meetings. It has retained much of its unique historic character and tranquil rural scenery. The Town is distinguished by many views of farm lands, woodlands and stone walls along windy, tree-lined roads. The Town is a predominantly residential community of 5,219 residents. The town has an excellent school system and its high school is served by the Hamilton/Wenham Regional High School. Wenham is also home to Gordon College and a well recognized advertising agency.

For most of the Town's history, there has been a mix of residents with varying economic backgrounds. The town had many working farms throughout its history and there was a smaller number of wealthy landowners in addition to business people and workers in the town. Today, there are still working farms and some large tracts of land remaining in the town. However, New England farming began to decline after World War II. Today, Wenham is primarily a bedroom community. In the last two or three decades prices in the Boston area have risen considerably, faster than either inflation or the increase in housing costs in other parts of the country. Consequently, this trend has meant that there is less economic diversity in Wenham than in earlier periods.

The pressures of upward costs of housing and real estate taxes mean that it is difficult for moderate-income seniors to remain in their own homes or for people who grew up in Wenham to buy their first home here. One of the problems that Wenham faces when so little of its housing stock is affordable is that there is difficulty in retaining and attracting qualified town employees including teachers, police and firefighters. In recognition of this, the Community Preservation Act committee seeks to develop more community housing – that is housing which can be purchased and maintained by low, moderate and middle income households. Using HUD's definitions, low income households are those earning less than 80% of the median income. Moderate income households earn between 80% and 100% of median income.

Currently, approximately 9% of the Town's housing stock is considered by the Commonwealth to be affordable. Of the 118 units on the Commonwealth's list of permanently affordable units, ninety-two (92) are operated by the Wenham Housing Authority. Twelve units are part of the Parsons Hill Subdivision and the remaining units are for disabled tenants and operated by the Department of Mental Health. Of the 118 units, the twelve units at Parsons Hill are for families. The units at Parsons Hill are duplexes and have between two and four bedrooms.

Resources

The two entities responsible for providing or assisting in maintaining community housing in Wenham are the Wenham Housing Authority and the WSSH Committee.

The Wenham Housing Authority owns and operates 92 units of low-income housing on 26 acres off Larch Row. Eighty four (84) units were constructed in 1976 and consist of one bedroom apartments. The Enon Village complex is primarily for elderly tenants (defined as 60 years of age and older) but up to 13.5% of the apartments are set aside for disabled individuals. In addition, the Department of Mental Retardation staffs two houses on the property for eight medically frail residents. The Housing Authority is a self-sufficient entity. The Commonwealth assisted with the purchase and construction of the housing and has provided grants for the modernization of windows and the installation of the new septic system. However, the yearly operating expenses of the Housing Authority are entirely paid for with rental income. The Wenham Housing Authority receives no operating subsidy from the Commonwealth. Nonetheless, the units and ground are maintained in excellent condition thanks to strong financial stewardship and the location in a desirable community. Each year there are between five and twelve vacancies in the senior housing complex. About one-third (1/3) of these are filled by existing Wenham residents. Wenham residents typically wait six months or less for an apartment at Enon Village. Non-Wenham residents typically wait up to two and one-half years for a vacancy.

The Town also has 12 permanently affordable duplexes located in the Parsons Hill subdivision adjacent to Gordon College. The Housing Authority's involvement initially was to run the lottery to select the first-time homebuyers who qualified under HUD regulations. Four of the homes are owned by Gordon College which is responsible for renting them to income-qualified tenants. The permanent affordability of the other eight 10 homes is the responsibility of the WSSH committee.

WSSH is the Wenham Issues of Social Service & Housing committee established by the Board of Selectmen. The committee's task is to assist the selectmen in serving those residents in need of temporary financial or social-service assistance, as well as promote affordable housing in the Town. The WSSH committee can assist Wenham residents by providing down-payment assistance for first-time homebuyers, help with home repairs and improvements, and emergency housing and running the Parsons Hill lottery as mentioned above.

DEVELOPMENT PRESSURES

There are a number of large tracts of land in Wenham which are potentially developable. While some of the large holdings have an agricultural or conservation restrictions placed on them, others could be sold to housing developers. Under State law, because less than 10% of the Town's housing stock is permanently affordable, developers could file plans known as 40B plans. Mass General Laws Chapter 40B allow developers to avoid a town's zoning requirement in exchange for creation of affordable housing. Developers filing 40B plans are still constrained by the Wetlands Protection Act and compliance with the State Sanitary Code. Because the town is not sewerred, the number of units in a

development could not exceed the number of units that could be served by septic systems. Also, towns may not be subject to 40 B, if under Executive Order 418, cities and towns “develop and adopt an affordable housing plan for approval by DHCD and request certification of compliance with the plan by demonstrating an increase in low and moderate income housing units within one calendar year of at least .75% (three quarters of one percent).

NEEDS

The Town of Wenham has a variety of housing needs. Seniors who are moderate income are not eligible for residency in Enon Village. Also, although an individual may earn up to 80% of median income and be eligible for an apartment at Enon Village, the reality is that at this writing only one household earns between 70 and 80% of the median income. This is because rent increases with income and the rent for someone earning between 70 and 80% is sufficiently high enough to dissuade potential tenants from renting an apartment at Enon Village. Although the apartments are in excellent condition they are less than 500 sq. ft. and are not competitive with most market rate apartments in terms of size or amenities (for instance there are no dishwashers and laundry facilities are shared). Seniors who can afford to, can consider the Maples which is cooperative housing and which generally sells for less than the median price in Wenham of \$500,000.00. Also, there are relatively few small, one story homes to which a senior household might downsize. The biggest need for senior housing in town seems to be for moderate and middle income seniors and homes which are designed to be accessible so that seniors can “age in place” if they so desire.

There is also a need for housing for families and town employees which is available to low, moderate and middle income households. The eight units at Parsons Hill are the only permanently affordable homes available to families other than the four units owned by Gordon. The Parsons Hill duplexes represent less than 1% of the total housing stock.

Possibilities

Currently, there are several possibilities for the use of CPA funds to support community housing initiatives.

First, CPA funds can be used to purchase existing market rate units and then sell them to eligible low and moderate income families, using the CPA funds to discount the resale price. Subsequently, these units would be subject to recorded deed restrictions making them permanently affordable. Also, modest homes in a neighborhoods would be preserved and prevent the tearing down of homes to make way for out of scale new construction. Also, moderate community housing would be scattered throughout the town. There would be no change in tax revenue with this approach.

Second, private for-profit or non-profit developers could create housing in which a percentage of units are set aside to meet HUD guidelines. CPA funds could be used in to

write down the cost of development. This option would generate tax revenue for the Town.

Third, the Town subdivision control regulations could be amended to require that in any subdivision with 9 or more lots have 12% of the lots be permanently affordable.

Fourth, the Town with the Housing Authority can explore whether any part of the parcel on Larch Lane could be developed. Impediments to development would be the presence of wetlands and limited access into the site as well as the clustering of low-income persons on one site. Benefits from development at the housing authority are 1) no or low cost of land acquisition and 2) residents' proximity to transit. Depending on the type of housing that was built, there might or might not be tax revenue accruing to the town.

Goals

The Community Preservation Act Committee, in conjunction with the Housing Authority and others, has identified the following community housing goals. Proposals brought before the CPC may receive preference for funding if they accomplish some or all of the following goals:

- Create new and preserve existing community housing that is well designed and maintained and is of high quality and based on sound planning principles.
- Disperse community housing throughout the Town by siting new community housing in neighborhoods that currently have little or no affordable housing.
- Provide and preserve community housing that promotes age and income diversity.
- Age-restricted housing is permitted if it is designed to allow seniors to "age in place". To the extent possible, universal design features should be incorporated into the construction of such housing.
- Ensure the long-term affordability of community housing, and in perpetuity wherever possible.
- Create new and preserve existing community housing that will contribute to the state's mandated target of having 10% of the Town's housing stock affordable to households with incomes at or below 80% of the area's median income.
- Provide community housing opportunities that give priority to local residents, town employees and families of students enrolled in the town's public schools.
- Reuse existing buildings or use previously developed or Town-owned sites for new community housing.
- Acquire and convert market rate housing into community housing.